

SENATE BILL No. 523

DIGEST OF INTRODUCED BILL

Citations Affected: IC 5-11-20.

Synopsis: Office of Indiana performance review. Establishes the office of Indiana performance review under the supervision of the state board of accounts. Requires each state agency to develop a management and efficiency plan for its operation. Provides specific items that a plan must include. Requires the governor and the budget agency to establish goals for state government to assist each state agency in developing a plan. Requires the office of Indiana performance review to conduct a performance review of each state agency to include an analysis of the effectiveness and efficiency of the policies, management, fiscal affairs, and operations of the state agency. Requires the office of Indiana performance review to consider the degree to which the state agency conforms to the state agency's management and efficiency plan. Requires the office of Indiana performance review to deliver a copy of each performance review to the governor, the legislative council, and the budget committee. Provides that the general assembly may consider the results of a state agency's performance review in determining the budget for the state agency. Appropriates \$375,000 in fiscal years 2001-2002 and 2002-2003 to the state board of accounts to establish the office of Indiana performance review and to conduct performance reviews.

Effective: July 1, 2001.

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January 22, 2001, read first time and referred to Committee on Finance.



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First Regular Session 112th General Assembly (2001)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2000 General Assembly.

SENATE BILL No. 523

A BILL FOR AN ACT to amend the Indiana Code concerning state offices and administration and to make an appropriation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 5-11-20 IS ADDED TO THE INDIANA CODE AS
2 A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2001]:

4 **Chapter 20. Office of Indiana Performance Review;**
5 **Performance Reviews of State Agencies**

6 **Sec. 1. As used in this chapter, "office" refers to the office of**
7 **Indiana performance review established under this chapter.**

8 **Sec. 2. As used in this chapter, "state agency" refers to an**
9 **agency, a bureau, a department, or a similar entity within the**
10 **executive including the administrative branch of state government**
11 **that has a director or other administrative head who:**

12 **(1) is appointed by the governor; or**

13 **(2) is the lieutenant governor.**

14 **Sec. 3. The office of Indiana performance review is established**
15 **under the supervision of the state board of accounts.**

16 **Sec. 4. The primary duty of the office is to conduct a**
17 **performance review of each state agency, as provided in this**



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chapter, to:

- (1) streamline operations;
- (2) eliminate duplication of effort among state agencies; and
- (3) reduce expenses.

Sec. 5. Each state agency shall develop a management and efficiency plan for its operations in accordance with this chapter.

Sec. 6. A management and efficiency plan developed under section 5 of this chapter must include each of the following items or an explanation as to why the item does not apply to the state agency:

- (1) A statement of the state agency's mission, goals, and objectives.
- (2) Measures of the output and outcome of the state agency.
- (3) Identification of priority and other service populations or other service measures.
- (4) An analysis of the current state agency resources in meeting current needs and expected future needs, and a projection of additional resources that may be needed to meet future needs.
- (5) Other information that the state board of accounts determines is important to include.

Sec. 7. (a) To assist each state agency in developing its management and efficiency plan, the governor, in cooperation with the budget agency, shall establish and adopt goals for achievement for each functional area of state government that is under the jurisdiction of the governor or the lieutenant governor.

(b) A statement of the goals under subsection (a) shall be provided to each state agency not later than October 1 each year.

Sec. 8. Each state agency shall do the following:

- (1) Issue a management and efficiency plan not later than March 1 of each year.
- (2) Deliver one (1) copy of its management and efficiency plan to each of the following:
 - (A) The governor.
 - (B) The office.
 - (C) The legislative council.
 - (D) The budget committee.

Sec. 9. The office shall conduct a performance review of each state agency to include an analysis of the effectiveness and efficiency of the policies, management, fiscal affairs, and operations of the state agency.

Sec. 10. In conducting a performance review under this chapter,



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the office shall consider the degree to which the state agency conforms to the state agency's management and efficiency plan.

Sec. 11. Not later than November 1 of each year, the office shall issue a report, which may include findings and recommendations, to the governor, the legislative council, and the budget committee.

Sec. 12. A state agency whose performance is reviewed under this chapter shall issue a report to the budget committee that includes the following:

- (1) Accomplishments of the state agency.
- (2) Measures taken by the state agency in response to a report issued by the office under section 11 of this chapter.
- (3) An analysis of cost savings implemented by the state agency.

Sec. 13. The general assembly may consider the results of a state agency's performance review in determining the biennial budget for the state agency.

Sec. 14. The state board of accounts may adopt rules under IC 4-22-2 to implement this chapter.

SECTION 2. [EFFECTIVE JULY 1, 2001] (a) There is appropriated to the state board of accounts from the state general fund the following amounts for the following listed fiscal years beginning July 1 and ending June 30 for the board's use in carrying out IC 5-11-20, as added by this act:

Fiscal Year	Fiscal Year
2001-02	2002-03
\$375,000	\$375,000

(b) This SECTION expires July 1, 2003.



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